



COUNTY OF LOS ANGELES CHILD SUPPORT ADVISORY BOARD

Los Angeles County
Board of Supervisors

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2006

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Vacant

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John O. Murrell

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Janice Kaminer-Reznick, Esq.

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Maria Tortorelli, Esq.

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Children and Family Services
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Department of

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Child Support Services

Department
Philip Browning

Los Angeles Superior Court

David Jetton

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California Department of
Child Support Services

Mary Lawrence

Franchise Tax Board

CHILD SUPPORT ADVISORY BOARD MINUTES

June 16, 2005

Present

Absent

2nd District, Paula Leftwich (temp. absent)
2nd District, John Murrell
3rd District, Lucy T. Eisenberg, Esq.
3rd District, Betty Nordwind, Esq. (temp
absent)
4th District, Jean Cohen (temp. absent)
4th District, Maria Tortorelli
5th District, Reginald Brass (temp. absent)

1st District, George Gliadys, Jr. Esq.
1st District, Jane Preece, Esq.
5th District, Susan Speir

Children and Family Services,
Patti Griffin
Franchise Tax Board,
Debbie Strong

Chief Information Office,
Jim Hall for Jon Fullinwider
Child Support Services,
Lori Cruz, Deputy Director
Department of Public Social Services,
Rosie Ruiz for Margaret Quinn
CA Department of Child Support Services,
Annette Siler
Superior Court, David Jetton

Guests

Julie Paik, Deputy Director

Gail Juliano, CSSD

John Allen, CSSD

Katherine J. Soko Lik, DCSS
Bill Ohabed, DCSS

Lawrence Hill, SEIU Local 660

Staff

Lee Millen, Board of Supervisors
Audra Galang, Board of Supervisors

CALL TO ORDER

Chair Eisenberg called the meeting to order as a Committee of the Whole at

9:35 a.m. in the Sybil Brand Commission meeting room; a quorum was identified and the meeting was called to order at 10:00 a.m.

Director's Report – to include update on AB 667; Federal CSAS review; Budget and Section 28 process update; Status of Assembly Budget Subcommittee vote regarding money for LA, et al; Employer Forum June 23, 2005

Lori Cruz, Deputy Director, CSSD, reported the following:

- Year-To-Date current support performance is at 42.03%; this is the highest level ever attained by the CSSD; the CSSD goal for current support is 45% and the DCSS goal is 47%;
- AB 667 had proposed to increase performance targets for all counties and for other new measurements that would go beyond the federal performance measure standard; it has been modified to require the Legislative Office to conduct a study on concerns. [Lawrence Hill, Local 660, advised that a third party would be selected for the study.];
- The Board of Supervisors authorized Director Browning to sign the MOU approving a penalty payment for the additional funding received last year; [Member Siler reported that to draw down additional federal funds the state is penalized 30 cents per dollar, and the county receiving these funds pays the penalty from the general fund, otherwise it is paid from the CSSD allocation];
- The Governor's new budget does not include additional monies for the Consortium;
- The next Employer Forum is scheduled on June 23, 2005 at the Botanical Gardens near the City of Palos Verdes;
- Member Browning has been invited to participate in a Foster Care and Medicaid workshop in Reno, Nevada in July 2005; and Steven Golightly will attend a county workforce investment board collaboration effort in Chicago in July 2005;.

BOARD CHAIR'S REPORT

Chair Eisenberg reported that she forwarded a letter to Annette Siler dated May 23, 2005, regarding Family Code sec. 3751 (health insurance orders); copies were distributed.

Member Siler advised that a formal response will follow.

APPROVE MINUTES OF APRIL 21, 2005 AND MAY 19, 2005

On motion of Member Tortorelli, seconded by Member Leftwich and unanimously carried, the minutes of April 21, 2005 were approved with the following corrections/additions:

Page 2, Director's Report, 3rd bullet, TANF; **1st Paragraph**, third sentence,

"...explained that because of the federal penalty..."; **seventh sentence**, "...to pay the additional cost ..."; **Page 3**, first line, "... CCSAS"; **second bullet**, "...CCSAS..."; DCSS Report, **4th line**, "...status of Compromise of Arrears Program..."; **Page 4**, 1st line, "A letter soliciting interest was sent..."; **5th Paragraph**, "In response...filing a case registry form...Non IV-D payment." "The outreach plan is ..."; **Page 5**, 3rd paragraph, "...and information county by county, if available."; **4th paragraph**, "...some Los Angeles County data is obsolete; this has been reported by the Wage Assignment Committee"; **Page 5**, Report on Seven New Workshops, "Lori Cruz reported...", **Page 6**, (2) "...the State Disbursement Unit (SDU) rollouts..."; **first paragraph**, fourth line, Update on Special Project, "...CPs for an ...", **last paragraph**, Following discussion, Ms. Cruz agreed (1) to have staff call a small sample of the 49 cases where the cp/ncp had the same address to verify if that information was correct; (2) to have staff call the 89 cases where they have a verified employer if the I&E has not been returned to see if it has been received and ask if it was going to be sent back or if they needed help in filling it out; and (3) to respond to the questions that Vice Chair Speir had previously given to her in writing on this issue and which she has not responded to."

On motion of Member Murrell, seconded by Member Leftwich and duly carried (Member Tortorelli abstained), the minutes of May 19, 2005 were approved with the following corrections/additions: **Page 3**, 2nd paragraph, Further Explanation, "...to CPs employers of record..."; **Page 4**, Update on What Has Been Learned..., 2nd paragraph, "~~The ARS does not have a medical enforcement feature; however~~, ARS generates..."; and "The CSAB instructed Chair Eisenberg to write Member Siler concerning this issue."

BOARD CHAIR'S REPORT

There was none.

DIRECTOR'S REPORT (cont.)

- John Allen, CSSD, met with Sheriff's Custody personnel to discuss providing co-locate child support data to inmates at the earliest phase of their incarceration;

- Of the 89 letters forwarded to CPs requesting a completed income and expense declaration, no response has been received [a copy of the draft letter was distributed and Chair Eisenberg suggested that the

letter be modified to underline the benefits to the CP]; the letter will be e-mailed to the CSAB for their review;

- A letter has been drafted regarding Member Preece's recommendation to notify CPs on an annual basis regarding their reserved order and request updated information; the letter will be e-mailed to the CSAB for their review.

DCSS Report – to include any new information on policy in other counties regarding reserved orders

Member Siler reported that there are specific instances when zero orders are set such as in SSI/SSP cases or when the NCP is incarcerated, otherwise, if the LCSA has no earnings data and nothing to indicate that the NCP is unable to work, a reserved order would likely be sought. The use of reserved or zero orders is primarily at the discretion of LCSA legal staff and the court commissioners. The DCSS regulations require that reserved orders be reviewed for adjustment when new information becomes available, or at a minimum every three years. The larger counties were contacted, and Orange County reported that in the past they used a number of reserved orders and now use more zero orders. Also, for those that have less than minimum wage or no income, they invite the NCP to come to the office to stipulate for an order (\$100, \$200). In cases where the NCP does not comply and if there is no evidence of income, they will set a zero order and continue to look for earnings via the automated process.

Member Siler also reported, David Maxwell-Jolly is the new Chief Deputy Director, DCSS, and Greta Wallace will attend her confirmation hearings next week.

CCSAS Report on CCSAS/SDU timelines and how current procedures will be affected

Member Siler introduced Bill Otterbeck, CCSAS Project, DCSS, and Katherine J. Sokolik, State Disbursement Unit Project, DCSS, who provided a comprehensive power point presentation on the State Disbursement Unit and Non IV-D orders respectively; handouts were distributed (copy on file). The projected collections for the coming year are estimated at \$2.4 billion, of which \$1.7 billion is for families and \$700 million is to repay government benefits. Also, the DCSS' high priority items are performance improvement, and statewide system implementation.

The federal government requires that the DCSS establish a single state-wide system and a state disbursement unit; most states have implemented a state-wide system, however, there are a number of states that have not met the

SDU requirement. Consequently, the state is subject to penalties in excess of \$200 million per year, and if a system is in place and not an SDU, penalties would continue as SDU penalties. The goal is to request certification of the state-wide system and SDU by September 30, 2006 to obtain federal penalty relief.

The SDU is a single location for employers and parents to send child support payments for all orders enforced by child support enforcement agencies (IV-D) and all private child support orders (Non IV-D). The timeframe for implementation is October 2005 for SDU payment processing, Non IV-D wage withholding data gathering will begin fall of 2005, and redirection will begin in May 2006. An assessment of the process will be conducted in December 2005, and the roll out will occur in January 2006.

The SDU benefits families in that the payment gets to the child's custodial party on time, it establishes a program where custodial parties receive payments by direct deposit or an electronic payment card, and it provides a record of payments. In response to Chair Eisenberg, Mr. Otterbeck reported that in Version I, audits can reference the ARS for financial data and distribution detail; fine tuning is ongoing on the implementation of Version I (statewide data base that links LCSAs to the SDU), and thereafter ARS and CASES will convert to a single CCSAS system beginning October 2006. Between October 2005 and March 2006, LCSAs will forward employer checks to the SDU, and beginning March 2006, an informational outreach campaign to employers will request that they forward checks directly to the SDU. A variety of payment methods are available: Electronic funds transfer, direct withdrawal, check, money order, credit card and IVR (phone).

In response to Chairperson Eisenberg, Mr. Otterbeck reported that the SDU recognizes that a workload reduction will occur in most counties, however, in Los Angeles County a workload increase will occur in the short-term.

Non IV-D

Katherine Sokolik reported that Bank of America has a pay for performance contract to process monies and does need to meet the federal two business day requirement to disburse funds. If the LCSA has problems with the system, the SDU staff will be on-site to address concerns. The majority of counties in other states are meeting the two-day requirement.

For the Non IV-D population the system can issue an electronic payment card (EPC), direct deposit or a check; the EPC would be similar to a Visa ATM card with federal protections. Also, in September/October 2005, Bank of America staff will contact employers to obtain data on the number of wage withholding orders forwarded to CPs.

The SDU will not affect families with private payment arrangements, e.g.

direct payments, however, private wage assignments must pay via the SDU,

there are limited services for a Non IV-D case (payment processing, record keeping and customer service), and IV-D services are available if requested.

In response to Chair Eisenberg, Ms. Sokolik noted that the CASES/ARS system captures wage assignment data. In response to Member Nordwind, Ms. Sokolik reported that domestic violence case data would not be shared

with the federal registry. Also, once wage assignments are received multi-family disbursements can occur, a targeted outreach will begin in April 2006 prior to statewide implementation in May 2006, mitigation strategies will be identified to alert the multi-family population, and notices are being developed for IV-D and Non IV-D parties. Further, as the system is implemented, a statewide view of caseloads will be available and can be shared with participants.

Chair Eisenberg thanked the presenters for their informative presentation.

Public Comment

There was none.

Meeting Date: Vote on whether to change the meeting date to the fourth Thursday and whether to meet in August

Following discussion, on motion of Member Nordwind, seconded by Member Leftwich and unanimously carried, the CSAB will meet every fourth Thursday of each month. Staff was directed to e-mail the CSAB a 12 month list of scheduled meetings.

Chair Eisenberg inquired whether the CSAB should meet in August due to vacation plan conflicts that could occur. Following discussion, the CSAB agreed not to meet in August 2005.

DISCUSS PERFORMANCE MEASURES: with feedback from Lori Cruz on why the percentage of orders based on actual earnings appears to have gone down since 2003

Lori Cruz and Gail Juliano, CSSD, reported that beginning in 2003 staff worked with presumed orders and a high percentage of judgments based on earnings occurred. In January 2004, when minimum wage was utilized versus presumed income, the earnings percentage dropped from a high of

50% in 2003.

Discussion ensued on presumed income and reserved orders.

Chair Eisenberg requested that the CSAB be provided the CSSD policy for setting orders in the past three years and how they have changed. Member Nordwind suggested that Commissioner Webster, CCW, be forwarded a letter regarding whether a status change to a reserved order occurs if income evidence in the past 12 months is not identified.

Member Siler agreed to provide Chairperson Eisenberg the state policy letter on changing presumed income to a reserved order if there is no evidence of income.

(Member Cohen was excused from the meeting.)

**FOLLOW UP REPORT ON THE SEVEN ITEMS REPORTED IN
APRIL, WITH GOALS AND OUTCOMES TO DATE**

John Allen, CSSD, presented a follow up report on work accomplished by seven Workgroups comprised of Senior Managers:

- (1) Changing Culture in the Department – Managers are actively implementing changes, including a Friends/Family Picnic scheduled on August 27, 2005;
- (2) Credit Card payments – DCSS requested this cancelled due to the SDU rollout;
- (3) AB 252 implementation – continuing to pursue AB 252 motions;
- (4) Utilization of Paternity Disestablishment status – produced brochures and flyers for distribution;
- (5) Should CSSD offices accept cash payments – cash payments not accepted to protect NCP/CP;
- (6) 100% Case Review – 11 thousand cases on list, 3,500 reviewed for current support, review continuing; and
- (7) Utilizing Customer Service to improve collections – work continuing to advance current efforts.

Julie Paik, Deputy Director, CSSD, reported that a Wage Assignment Campaign final report can be provided in September 2005. The third campaign is envisioned to concern Workers' Compensation.

In response to Chair Eisenberg, Ms. Juiliano noted that Interstate statistics will be reviewed next week to determine if the Division's efforts are on target and whether more staff is needed. Following discussion on interstate improvements within the last six months, Ms. Cruz agreed to ask Larry Silverman, Interstate Division, to present a status report at the next CSAB meeting on interstate efforts to date. Member Nordwind suggested that his presentation include state hearing data and how it relates to Interstate.

MATTERS NOT ON THE POSTED AGENDA (to be presented and placed on a future agenda)

There was none.

ADJOURNMENT

The meeting adjourned at 12:00 p.m.